

**APPROVED**

**SPECIAL MEETING**

**BEACH BUSINESS IMPROVEMENT DISTRICT ADVISORY COMMITTEE  
100 NORTH ANDREWS AVENUE  
8<sup>TH</sup> FLOOR CONFERENCE ROOM  
FORT LAUDERDALE, FLORIDA  
THURSDAY, JUNE 18, 2009 – 1:30 P.M.**

**BID COMMITTEE MEMBERS    ATTENDANCE**

Amaury Piedra, Chair	P
Carlos Molinet, Vice Chair (arr. 1:54)	P
Andreas Ioannou	A
Ramola Motwani	P
Gabriel Rodriguez	P
Joseph Geluso	A
Jim Oliver	P
Jon McGaunn	P

At this time, there are 8 appointed members to the Committee, which means 5 would constitute a quorum.

**Staff**

Don Morris, Beach CRA Director  
Earl Prizlee, Engineering Design Manager  
Eileen Furedi, Economic Development Representative  
Kirk Buffington, Director of Procurement Services  
Michael Walker, Procurement Manager  
Mark Almy, Beach Foreman, Parks and Recreation Department  
Jennifer Picinich, Recording Secretary, Prototype, Inc.

**Communications to City Commission**

None at this time.

**I.     Call to Order / Roll Call**

Chair Piedra called the meeting to order at 1:45 p.m. Roll was called and it was determined a quorum was present.

**II.    Discussion of Beach Maintenance RFP**

Mr. Morris introduced Kirk Buffington of the Procurement Department, who was in attendance to help answer the Committee's questions regarding the procurement process. Mr. Morris stated the members will discuss the options on how to move forward, on which Mr. Buffington could advise or clarify points.

Mr. Morris continued that the first option is to re-issue the RFP for the same scope of services, and determine a "not-to-exceed" amount. He noted that if the BID exercises this option, one aspect of today's meeting is to discuss what that amount might be.

A second option is to extend the prospective contract to a two-year contract, which might provide some savings. This could be included in the current RFP, along with the not-to-exceed figure.

He advised that Staff had reviewed the bid as well in an attempt to identify areas in which money might be saved. One such area is the hours of operation during the day. Currently there is "some redundancy" between the beach maintenance contractors and the Parks and Recreation Department's maintenance crew. Mr. Morris introduced Mark Almy of the Parks and Recreation Department, who oversees beach maintenance.

Mr. Morris stated he had discussed the Parks and Recreation crew's work schedule to learn if it was possible to reduce the contractors' hours without markedly affecting the appearance of the beach. For instance, the contract could be structured in a way that provides an eight-hour work day rather than a 10- or 12-hour shift, and subject to change if necessary. A specific number of hours could be included in the terms of the contract, Mr. Morris pointed out.

He advised a tentative schedule for issuing a new RFP has been presented to complete the process and present the contract for approval at the City Commission's second July meeting. This would allow the City to enter into a contract with a vendor without experiencing an interruption of service. This schedule could be met regardless of the option selected by the BID at today's meeting.

He proposed that the BID appoint three members to the prospective Selection Committee, and recommended the inclusion of both Mark Almy and Earl Prizlee as well. This would make up a five-member Selection Committee. According to schedule, the RFP would go out on June 18, 2009, and proposals would be due on Monday, June 29. The Selection Committee would meet on July 6 and present their recommendation to the City Commission on July 21. Mr. Morris added that the current contract is set to expire on July 30, 2009.

He added that there had also been discussion, at the June 8 BID meeting, of requesting that bidders make oral presentations to the Selection Committee. He felt these “might not be built in” to the proposed schedule.

Chair Piedra thanked Mr. Morris for putting this information together. He added that, considering the comments at the June 8 meeting from BID members as well as from the current vendor, the best option is a not-to-exceed figure as well as a two-year contract.

Mr. Oliver agreed, adding that a four-year contract might also be acceptable, depending upon an analysis of whether the contract could drop one-third of its present cleaning support without significant impact to the beach experience.

Mr. Rodriguez felt all the options presented were good ideas, and puts the BID “in a good place.” He noted, however, that if the term of the contract is extended to two years, the Committee should consider “who are we really trying to benefit.” He felt this would be the service provider rather than the BID, and recommended that, in consideration of the current economic recession, the contract remain a one-year agreement. Should the BID be “in a better place” the following year, he advised, they could then re-bid the contract and possibly save more money.

Mr. Morris confirmed that within its current structure, the RFP is for a one-year contract.

Chair Piedra asked what Mr. Morris would suggest, and agreed that the “overlap” between the contractor’s cleaning and the City’s beach maintenance creates a potential redundancy that could be eliminated to produce greater savings.

Mr. Morris advised locking in a two-year contract term as a means of reducing the cost, in addition to including a not-to-exceed amount in the contract.

Chair Piedra requested that the Committee members share their opinions as well.

Mr. McGaunn felt the inclusion of a 30- or 60-day termination clause in the contract would allow the BID to opt out if they were unhappy with the service provided.

Mr. Buffington explained there are two standard termination clauses in City contracts. Termination for cause requires a 30-day notice, in which the contractor has time to “cure” any non-performance issues; this means termination for cause is, more realistically, a 60- to 90-day process.

In addition, government contracts also include a “termination for convenience” clause, which is also standard. This clause also allows a 30-day notice.

Mr. Rodriguez stated in his own business experience, he was a proponent of the 30-day convenience clause, “simply because in these conditions we can.”

Mr. McGaunn affirmed he was in favor of option four, with the termination clause included.

Ms. Motwani requested that Mr. Morris also review the power wash schedule. Mr. Morris replied that this had not been changed, and power washing would continue to be performed four times a year. If a new RFP was sent out, this would be included in the contract.

He added that there is a “learning curve” with contractors, and Prism has already passed this stage. Mr. Morris felt if a good contractor is found, the RFP process should not be repeated every year, as it takes up a good deal of Staff time to administer a contract.

Ms. Motwani agreed with this, as there would be no interruption of service. She also agreed that the termination clause is important.

Mr. Rodriguez felt the power washing is “a great thing,” and if this service were reduced it would have an adverse effect on the beach.

Mr. Oliver asked if a change from a 12-hour shift to eight hours would cause “a lapse” in service or any other service issues for the City. In addition, he wished to know if the City would be able to add or delete services once the RFP is signed, such as increasing the power washing schedule from four to five times annually.

Mr. Buffington replied that if the original bidding document is structured with this in mind, and contains a price list, it would be possible; should the contract be structured with a lump sum, changes of this nature would be “much more difficult.”

Mr. Rodriguez asked if the contract could be structured for four power washing services a year, with a specific dollar amount assigned to each power wash. If this is the case, adding another power wash would cost that specific amount. He also felt the contract should reserve the right to decrease or increase labor hours.

Vice Chair Molinet suggested another option might be to make the not-to-exceed figure slightly higher in order to “cover ourselves” on the contract.

Mr. Buffington pointed out that including a not-to-exceed figure in the contract could constitute “hemming ourselves in” – for example, should the Board wish to increase power washing services, this would not be possible if it would exceed the not-to-exceed amount.

Mr. Morris did not feel there would be a significant lapse in service, although he cautioned that the BID might feel, later on, the hours should be increased. He proposed “build[ing] in some flexibility” in case this occurred.

Mr. Oliver noted that if there is a 30-day termination clause in a contract, and the BID elected, during that time period, to increase the amount it wished to spend with a vendor, this option could be exercised and a new contract could be submitted with an increased not-to-exceed amount.

Mr. Buffington explained while he understood the point of view from the private sector, the reality could be that within a year, should the economy significantly improve, the BID might wish to increase the number of power washes. However, a vendor who had not been awarded the bid could contest this, as the contract states a certain amount is not to be exceeded.

He continued that he was not a proponent of including a number in a bid; in his experience with the City, this had only been done “once or twice.” The important factor to determine is the scope of work; he added Mr. Morris has a clear direction of what the BID wants and needs. Mr. Buffington recommended stating the services needed in the RFP, and then “let the market tell us what they’re worth” through the bid process.

Grant Smith, Attorney representing Prism Cleaning, stated he agreed with Mr. Buffington, and did not encounter many not-to-exceed clauses in contracts. In addition, however, he reminded the BID that the scope proposed is “not appreciably different” from the one that had just gone through the RFP process. Sending out another RFP for bid not only costs the City more money in advertising and labor, but costs the client more money to put together their bid.

He felt that “other than changing four hours a day,” the bid the Committee is currently discussing is very similar to the same bid they had just sent out. He did not believe the City would receive significantly different responses than they had before.

Mr. Rodriguez felt while these are valid concerns, they are also in favor of Prism. He felt the costs Mr. Smith had cited were “part of being in the business.”

Chair Piedra advised while the proposed changes are not “major,” he felt the BID should look into the potential reduction of the service agreement in order to save

more revenue. He added that he values the opinion provided by a member of the private sector, as it balances the viewpoint of the public sector.

He asked Mr. Morris for his opinion on the issue.

Mr. Morris pointed out that if a not-to-exceed clause is not included, then if the City decides at a later point that a ten-hour day is needed instead of eight hours, they are allowed some flexibility. He reiterated that a two-year contract also provides savings. The BID expressed general agreement with this.

Vice Chair Molinet added that while it is a good idea to include a termination clause, he did not feel the Committee was dealing with a vendor that would force them to exercise this option.

Mr. Morris continued that if the RFP is sufficiently flexible, they may always "revisit" the contract if additional services are needed.

Mr. Oliver stated for clarification that the RFP would go out with a new scope of work, which includes an eight-hour day rather than the previous 12-hour shifts, and four power washes annually. Hopefully this would not result in a marked difference in "what's currently happening on the beach."

Michael Davis, CEO of Prism Cleaning, asked if the four-hour shift change would be the only change in the RFP; if so, he asked if the present contract could be renegotiated. Mr. Buffington explained that he is "not allowed to negotiate with [contractors] individually" under ordinance.

Mr. Davis asked if it would be possible to submit another "best and final" bid. Mr. Buffington confirmed another best and final could be done with the top three bidders.

Vice Chair Molinet pointed out that the most important consideration is that there be no lapse in service on the beach. He asked whether reissuing the current RFP or issuing a new one would be more likely to "get us there."

Mr. Morris advised there should be no lapse if the BID kept to the proposed schedule, regardless of the option they might choose today.

He recalled that at the previous BID meeting, there had also been discussion of a contract extension, and asked if that was still a possibility. Mr. Buffington replied that within the "best and final" bid, the term of the contract could be changed to two years and the number of hours could be reduced. These would both be appropriate actions.

Vice Chair Molinet felt this was the best option.

Mr. Buffington pointed out that this procedure entails the following activities: the top three proposers are invited to participate, and the existing Selection Committee would reconvene and conduct a complete re-ranking.

Ms. Motwani reminded the Committee that one of the top three bidders had previously failed to attend the meeting. Vice Chair Molinet advised that this invitation to the top three bidders is still a necessary step for a governmental entity.

He reiterated that the offer would be for “an additional best and final,” with the terms of the contract altered to reflect an eight-hour workday instead of 12 and a contract for two years rather than one. Once these three bids were rescored by the same Selection Committee, the BID could go forward and recommend award of the contract.

Ms. Motwani explained that one of the original top three bidders did not show up for the meeting; the second bidder was Labelle Cleaning, who had lost the bid due to non-performance. Chair Piedra noted that these issues would be reflected in the scoring of the three bids.

Mr. Rodriguez pointed out that former BID member Ina Lee is no longer a Committee member, and as her seat on the Selection Committee is vacant, he would like to take that position. It was noted that the third member of this particular Selection Committee, however, had been Mr. Ioannou, which would allow the original Committee to remain intact.

**Motion** made by Vice Chair Molinet, seconded by Mr. McGaunn, that the City allow a last “best and final” offer to the three vendors of record that bid on the first RFP, to include but not be limited to a two-year term instead of one-year, reducing the scope from 12 hours a day to eight hours, and rescore the bids and award the contract based on those terms.

In a voice vote, the **motion** carried unanimously.

Mr. Morris confirmed that the contract will be structured in a way that will allow the City to request increased services if necessary. He pointed out that the contract specifies services will be paid at an hourly rate rather than daily, for reasons of increased flexibility.

He also showed an example of the uniforms now worn by the beach vendors, and Mr. Prizlee pointed out that the shirts provided for beach maintenance

contractors would be complementary to those of other vendors, although of a different color.

Mr. Morris stated he would be in touch with Mr. Buffington's office and would reconvene the Selection Committee to meet with the top three bidders. The goal is to have a recommendation for the contract's approval at the July 21, 2009 City Commission meeting.

Chair Piedra thanked the City Staff in attendance, noting that this has been a "challenging" issue and that he appreciated their work.

There being no further business to come before the Committee at this time, the meeting was adjourned at 2:18 p.m.

[Minutes prepared by K. McGuire, Prototype, Inc.]